

Article - Transportation

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§18–102.

(a) (1) The Administration may not register any motor vehicle, trailer, or semitrailer to be rented until the owner of the vehicle certifies to the satisfaction of the Administration that the owner has security for the vehicle in the same form and providing for the same minimum benefits as the security required by Title 17 of this article for motor vehicles.

(2) (i) In this paragraph, “replacement vehicle” means a vehicle that is loaned by an auto repair facility or a dealer, or that an individual rents temporarily, to use while a vehicle owned by the individual is not in use because of loss, as “loss” is defined in that individual’s applicable private passenger automobile insurance policy, or because of breakdown, repair, service, or damage.

(ii) This paragraph does not apply to a rental vehicle that is not a replacement vehicle if the coverage maintained by the renter or driver is provided by the Maryland Automobile Insurance Fund.

(iii) Subject to paragraph (3) of this subsection, § 18–106 of this subtitle, and § 17–104(e)(5) of this article, an owner of a rental vehicle or replacement vehicle may satisfy the requirement of paragraph (1) of this subsection by maintaining the required security described in § 17–103 of this article that is secondary to any other valid and collectible coverage and that extends coverage to the owner’s vehicle in amounts required under § 17–103(b) of this article while it is used as a rental vehicle or replacement vehicle.

(iv) If an owner of a replacement vehicle provides coverage as provided under subparagraph (iii) of this paragraph, the agreement for the replacement vehicle to be signed by the renter or the individual to whom the vehicle is loaned shall contain a provision on the face of the agreement, in at least 10 point bold type, that informs the individual that the coverage on the vehicle being serviced or repaired is primary coverage for the replacement vehicle and the coverage maintained by the owner on the replacement vehicle is secondary.

(3) If an owner of a rental vehicle provides coverage in accordance with paragraph (2) of this subsection, the rental agreement to be signed by the renter shall contain a provision on the face of the agreement, in at least 10 point bold type, that informs the individual that, except for coverage provided by the Maryland Automobile Insurance Fund with respect to a rental vehicle that is not a replacement vehicle, the coverage maintained by the renter of the rental vehicle is primary

coverage on the owner's confirmation with the insurance carrier that provides coverage to the renter that the insurance maintained by the renter provides valid and collectible coverage in the amounts required under § 17-103(b) of this article to the owner's vehicle while it is used as a rental vehicle.

(b) Notwithstanding any provision of the rental agreement to the contrary, the security required under this section shall cover the owner of the vehicle and each person driving or using the vehicle with the permission of the owner or lessee.

(c) If the Administration finds that the vehicle owner has failed or is unable to maintain the required security, the Administration shall suspend the registration of the vehicle.

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